UNITED NATIONS

Framework Convention on Climate Change

Distr.
GENERAL

FCCC/SBI/1996/12
24 October 1996

Original: ENGLISH

SUBSIDIARY BODY FOR IMPLEMENTATION

REPORT OF THE SUBSIDIARY BODY FOR IMPLEMENTATION ON THE WORK OF ITS THIRD SESSION, GENEVA, 9 - 16 JULY 1996

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I. OPENING OF THE SESSION
(Agenda item 1)

1. The third session of the Subsidiary Body for Implementation (hereinafter referred to as "the SBI") was held at the Palais des Nations, Geneva from 9 to 16 July 1996.

2. The Chairman of the SBI, Mr. Mohamed M. Ould El Ghaouth, opened the session at the 1st meeting, on 9 July 1996. In welcoming the participants, he referred to the large volume of work before the SBI and invited delegates to aim at making recommendations on all issues on the agenda for adoption by the Conference of the Parties at its second session.

II. ORGANIZATIONAL MATTERS
(Agenda item 2)

A. Adoption of the agenda
(Agenda item 2 (a))

3. At its 1st meeting, on 9 July, the SBI adopted the following agenda:

1. Opening of the session.

2. Organizational matters:

   (a) Adoption of the agenda;

   (b) Election of officers other than the Chairman;

   (c) Organization of the work of the session;

   (d) Report of the Subsidiary Body for Implementation to the Conference of the Parties.

3. National communications:

   (a) Communications from Parties included in Annex I to the Convention: guidelines, schedule and process for consideration;

   (b) Communications from Parties not included in Annex I to the Convention: guidelines, facilitation and process for consideration.

4. Financial and technical cooperation:

(a) Financial mechanism:

(i) Guidance to the Global Environment Facility;

(ii) Memorandum of Understanding between the Conference of the Parties and the Council of the Global Environment Facility;

(b) Secretariat activities relating to technical and financial support to Parties.

5. Development and transfer of technologies.

6. Activities implemented jointly under the pilot phase.

7. Administrative and financial matters:

(a) Establishment of the permanent secretariat and arrangements for its functioning;

(b) Income and budget performance, and resource deployment for 1997.

8. Review of the programme of work, 1996-1997.

9. Report on the session.

4. The SBI also agreed to consider and make recommendations on a number of issues referred to it by the Conference of the Parties (COP), including the question of commitments in Article 4 (see FCCC/CP/1996/15, paras. 21 (a), (c), (d), (e) and (f) and 23).

B. Election of officers other than the Chairman

(Agenda item 2 (b))

5. Concerning the election of officers other than the Chairman, the SBI decided, at its 1st meeting, on 9 July, that since the election of officers of the Conference of the Parties, and those of the SBI, the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the Ad Hoc Group on Article 13 (AG13) were being considered as a package, it would await the outcome of the consultations being conducted by the President of the Conference on the issue. Subsequently it did not prove possible to reach agreement (see FCCC/CP/1996/15, para. 18).

C. Organization of the work of the session

(Agenda item 2 (c))

6. At its 1st meeting, on 9 July, the SBI approved the organization of the work presented by the Chairman. The Chairman also referred to the documentation before the third session, as mentioned in document FCCC/CP/1996/1/Add.2.

D. Report of the Subsidiary Body for Implementation to the Conference of the Parties

(Agenda item 2 (d))

1. Proceedings

7. At its 1st meeting, on 9 July, the SBI considered the sub-item on the report of the Subsidiary Body for Implementation to the Conference of the Parties.

2. Conclusions

8. The SBI noted that the reports of the SBI on its first and second sessions would be before the Conference of the Parties at its second session. It requested the Chairman of the SBI to provide an oral report to the plenary of the COP on the progress achieved by the SBI at its third session.

E. Attendance

9. For the lists of attendance at the third session of the SBI, see the report of the Conference of the Parties on its second session, Part One, chapter II, section J (FCCC/CP/1996/15).

F. Documentation

10. The documents before the SBI at its third session are listed in the annex below.

III. NATIONAL COMMUNICATIONS

(Agenda item 3)

A. Communications from Parties included in Annex I to the Convention: guidelines, schedule and process for consideration

(Agenda item 3 (a))

1. Proceedings

11. At its 3rd meeting, on 11 July, the SBI addressed the sub-item on national communications from Parties included in Annex I to the Convention. It had before it the following documents prepared by the secretariat: FCCC/CP/1996/12 and Add.1 and 2; and FCCC/CP/1996/13.

12. The corresponding item of the COP agenda was referred to both the SBSTA and the SBI by the Conference of the Parties at its 2nd plenary meeting, on 8 July (see FCCC/CP/1996/15, para. 21 (d)).

13. Statements were made by the representatives of 12 Parties, including one speaking on behalf of the Alliance of Small Island States (AOSIS) and one speaking on behalf of the European Community and its member States.

2. Conclusions

14. At its 5th meeting, on 16 July, having considered a proposal by the Chairman, the SBI adopted the following conclusions:

(a) The SBI took note with appreciation of the fact that all but one of the Annex I Parties whose national communications were due by the second session of the Conference of the Parties had fulfilled their commitments under Articles 4 and 12 of the Convention by submitting national communications. However, it also noted that a number of these Parties submitted their communications after their due dates;

(b) The SBI took note of the national communications and their executive summaries (see document series FCCC/NC/...), the second compilation and synthesis report of first national communications from Annex I Parties (FCCC/CP/1996/12 and Add.1 and 2), and the available in-depth review reports (FCCC/IDR.1/(country code));

(c) The SBI, in responding to the request of the President of the Conference of the Parties that it review the implementation of the Convention, concluded that the above-mentioned documentation contained relevant information allowing Parties to assess the implementation of the Convention by Annex I Parties;

(d) The SBI concluded that Annex I Parties were fulfilling their commitments under Article 12 by reporting on national policies and measures on the mitigation of climate change

and those under Article 4.2(a) to implement those policies and measures, but according to available information, for many Annex I Parties, further urgent action would be needed to return greenhouse gas emissions to their 1990 levels by 2000;

(e) The SBI concluded that the challenges which Annex I Parties currently face in returning greenhouse gas emissions to their 1990 levels by 2000, and the efforts being made to address these challenges, would be relevant to the AGBM negotiations on commitments for the post-2000 period;

(f) The SBI took note of the concern expressed by some Parties that Annex II Parties were falling short of their commitments regarding the transfer of technology and the provision of financial resources, bearing in mind that other Parties noted that some Annex II Parties were providing bilateral contributions and that all Annex II Parties contributed to the Global Environment Facility, and noted that Parties were requested to enhance the reporting on these commitments by applying the revised Annex I national communication guidelines;

(g) The SBI expressed its appreciation to Annex I Parties that had submitted their national inventory data on emissions by sources and removals by sinks as requested by decision 3/CP.1* and urged those Annex I Parties that had not yet submitted these data to do so as soon as possible;

(h) The SBI took note of the information on experience with the review process, on progress of the in-depth reviews of first national communications from Annex I Parties, and of suggestions on the scheduling, submission and review of second communications, contained in document FCCC/CP/1996/13;

(i) The SBI concluded that the review process was a key element for facilitating the implementation of the Convention and monitoring its progress and recommended that this process be continued in accordance with the relevant decisions of the Conference of the Parties;

(j) The SBI concluded that the question of commitments in Article 4, which had been referred to it by the Conference of the Parties at its 4th meeting, on 12 July, would be taken up at a future session (FCCC/CP/1996/15, para. 51).

15. Also at its 5th meeting, on 16 July, the SBI decided to recommend, in conjunction with the SBSTA, a draft decision on guidelines, schedule and process for consideration of communications from Parties included in Annex I (FCCC/CP/1996/L.13) for adoption by the

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* See document FCCC/CP/1995/7/Add.1.

COP at its second session. For the text of the decision by the Conference of the Parties, see decision 9/CP.2.**

B. Communications from Parties not included in Annex I to the Convention: guidelines, facilitation and process for consideration

(Agenda item 3 (b))

1. Proceedings

16. At its 4th meeting, on 12 July, the SBI addressed the sub-item on national communications from Parties not included in Annex I to the Convention. It had before it a note prepared by the secretariat (FCCC/SB/1996/MISC.1/Add.1).

17. The corresponding item of the COP agenda was referred to the SBI and the SBSTA by the Conference of the Parties at its 2nd plenary meeting, on 8 July (see FCCC/CP/1996/15, para. 21 (d)).

18. Statements were made by the representatives of three Parties, including one speaking on behalf of the Group of 77 and China.

19. The representative of Antigua and Barbuda made a statement concerning the submission of the initial national communication by his Government.

2. Conclusions

20. At its 5th meeting, on 16 July, the SBI decided to recommend, in conjunction with the SBSTA, a draft decision on guidelines, facilitation and process for the consideration of communications from Parties not included in Annex I (FCCC/CP/1996/L.12) for adoption by the COP at its second session. For the text of the decision by the Conference of the Parties, see decision 10/CP.2.

21. The SBI invited Parties to forward to the secretariat their views on the process for consideration of the initial communications by 15 October 1996. It requested the secretariat to compile any views submitted by Parties, and to prepare a note on any budgetary considerations, for discussion at its fifth session.

IV. FINANCIAL AND TECHNICAL COOPERATION

** For decisions adopted by the Conference of the Parties at its second session, see document FCCC/CP/1996/15/Add.1.

(Agenda item 4)

A. Financial mechanism

Agenda item 4 (a))

(i) Guidance to the Global Environment Facility

1. Proceedings

22. At its 2nd meeting, on 10 July, the SBI addressed the sub-item on guidance to the Global Environment Facility. It had before it a note prepared by the secretariat (FCCC/CP/1996/8).

23. The corresponding item of the COP agenda was referred to the SBI by the Conference of the Parties at its 2nd plenary meeting, on 8 July (see FCCC/CP/1996/15, para. 21 (c)).

24. Statements were made by the representatives of five Parties, including one speaking on behalf of the Group of 77 and China and one speaking on behalf of the European Community and its member States.

2. Conclusions

25. At its 5th meeting, on 16 July, the SBI decided to recommend a draft decision on guidance to the Global Environment Facility (FCCC/CP/1996/L.9) for adoption by the COP at its second session. For the text of the decision by the Conference of the Parties, see decision 11/CP.2.

(ii) Memorandum of Understanding between the Conference of the Parties and the Council of the Global Environment Facility

1. Proceedings

26. At its 2nd meeting, on 10 July, the SBI addressed the sub-item on the Memorandum of Understanding between the Conference of the Parties and the Global Environment Facility. It had before it a note prepared by the secretariat (FCCC/CP/1996/9).

27. The corresponding item of the COP agenda was referred to the SBI by the Conference of the Parties at its 2nd plenary meeting, on 8 July (see FCCC/CP/1996/15, para. 21 (e)).

28. Statements were made by the representatives of three Parties, including one speaking on behalf of the Group of 77 and China and one speaking on behalf of the European Community and its member States.

29. At its 5th meeting, on 16 July, the Chairman of the SBI stated that if he was unable to obtain the agreement of the Parties on the draft decision proposed, the issue would be referred to the Conference of the Parties for resolution since it was the COP itself which had requested the SBI to present a draft decision to it for consideration.

30. In the absence of agreement, the President of the Conference of the Parties, at the 8th plenary meeting, on 19 July, recommended a draft decision on the Memorandum of Understanding: annex on the determination of funding necessary and available for the implementation of the Convention for adoption by the COP at its second session. This decision referred the matter for further consideration by the SBI at its fourth session. For the text of the decision by the Conference of the Parties, see decision 13/CP.2.

B. Secretariat activities relating to technical and financial support to Parties
(Agenda item 4 (b))

1. Proceedings

31. At its 2nd meeting, on 10 July, the SBI addressed the sub-item on secretariat activities relating to technical and financial support to Parties. It had before it a note prepared by the secretariat (FCCC/SBI/1996/10).

32. Statements were made by the representatives of two Parties, including one speaking on behalf of the European Community and its member States.

2. Conclusions

33. At its 5th meeting, on 16 July, the SBI decided to recommend a draft decision on secretariat activities relating to technical and financial support (FCCC/CP/1996/L.5) for adoption by the COP at its second session. For the text of the decision by the Conference of the Parties, see decision 3/CP.2.

V. DEVELOPMENT AND TRANSFER OF TECHNOLOGIES
(Agenda item 5)

1. Proceedings

34. At its 4th meeting, on 12 July, the SBI addressed the item on development and transfer of technologies. It had before it a note prepared by the secretariat (FCCC/CP/1996/11).

35. The corresponding item of the COP agenda was referred to the SBSTA and the SBI by the Conference of the Parties at its 2nd plenary meeting, on 8 July (see FCCC/CP1996/15, para. 21 (c)).

36. Statements were made by the representatives of seven Parties, including one speaking on behalf of the Group of 77 and China.

2. Conclusions

37. At its 5th meeting, on 16 July, the SBI decided to recommend, in conjunction with the SBSTA, a draft decision on development and transfer of technologies (FCCC/CP/1996/L.16) for adoption by the COP at its second session. For the text of the decision by the Conference of the Parties, see decision 7/CP.2.

VI. ACTIVITIES IMPLEMENTED JOINTLY UNDER THE PILOT PHASE (Agenda item 6)

1. Proceedings

38. At its 4th meeting, on 12 July, the SBI addressed the item on activities implemented jointly under the pilot phase. It had before it a note prepared by the secretariat (FCCC/CP/1996/14 and Add.1).

39. The corresponding item of the COP agenda was referred to the SBSTA and the SBI by the Conference of the Parties at its 2nd plenary meeting, on 8 July (see FCCC/CP/1996/15, para. 21 (c)).

40. A statement was made by the representative of the World Business Council on Sustainable Development.

2. Conclusions

41. At its 5th meeting, on 16 July, the SBI decided to recommend, in conjunction with the SBSTA, a draft decision on activities implemented jointly under the pilot phase (FCCC/CP/1996/L.7) for adoption by the COP at its second session. For the text of the decision by the Conference of the Parties, see decision 8/CP.2.

VII. ADMINISTRATIVE AND FINANCIAL MATTERS
(Agenda item 7)

A. Establishment of the permanent secretariat and arrangements for its functioning
(Agenda item 7 (a))

1. Proceedings

42. At its 1st meeting, on 9 July, the SBI addressed the sub-item on the establishment of the permanent secretariat and arrangements for its functioning. It had before it a note prepared by the secretariat (FCCC/CP/1996/6 and Add.1, 2 and 3).

43. The corresponding item of the COP agenda was referred to the SBI by the Conference of the Parties at its 2nd plenary meeting, on 8 July (FCCC/CP/1996/15, para. 21 (f)).

44. Statements were made by the representatives of two Parties, including one speaking on behalf of the Group of 77 and China.

2. Conclusions

45. At its 5th meeting, on 16 July, the SBI decided to recommend the draft decisions on the establishment of the permanent secretariat and arrangements for its functioning, and on the agreement concerning the headquarters of the Convention secretariat, contained in documents FCCC/CP/1996/L.2 and L.14, respectively, for adoption by the COP at its second session. For the text of the decisions by the Conference of the Parties, see decisions 14/CP.2 and 15/CP.2.

46. In a statement made after the SBI had approved the draft decision on the agreement concerning the headquarters of the Convention secretariat, the Executive Secretary welcomed the intention of the Parties to consider the question of the juridical personality of the Convention secretariat on the international plane, as indicated in operative paragraph 2 of the decision. He noted that different legal opinions had been expressed on that matter and he expressed the hope that the consideration of the question would lead to a convergence of views.

47. The Executive Secretary stated further that it was his understanding that nothing in the decision would prevent the Convention secretariat from carrying out its normal business in Germany or in any other country or from making the necessary arrangements for this.

B. Income and budget performance, and resource deployment for 1997

1. Proceedings

48. At its 1st meeting, on 9 July, the SBI addressed the sub-item on income and budget performance, and resource deployment for 1997. It had before it a note prepared by the secretariat (FCCC/CP/1996/7 and Add.1).

49. The corresponding item of the COP agenda, together with the question of documentation for Convention bodies, was referred to the SBI by the Conference of the Parties at its 2nd plenary meeting, on 8 July (see FCCC/CP/1996/15, para. 21 (a) and (f)).

50. Statements were made by the representatives of four Parties, including one speaking on behalf of the European Community and its member States and one speaking on behalf of the Group of 77 and China.

2. Conclusions

51. At its 5th meeting, on 16 July, the SBI decided to recommend the draft decisions on income and budget performance, and resource deployment for 1997, and on volume of documentation, contained in documents FCCC/CP/1996/L.3 and L.8, respectively, for adoption by the COP at its second session. For the text of the decisions by the Conference of the Parties, see decisions 16/CP.2 and 17/CP.2.

VIII. REVIEW OF THE PROGRAMME OF WORK, 1996-1997
(Agenda item 8)

1. Proceedings

52. At its 1st meeting, on 9 July, the SBI addressed the item on the review of the programme of work, 1996-1997. It had before it a note prepared by the secretariat (FCCC/SBI/1996/11).

53. Statements were made by the representatives of two Parties.

2. Conclusions

54. At its 5th meeting, on 16 July, the SBI decided to recommend a draft decision on the programme of work, 1996-1997 (FCCC/CP/1996/L.4) for adoption by the COP at its second session. For the text of the decision by the Conference of the Parties, see decision 2/CP.2.

IX. REPORT ON THE SESSION
(Agenda item 9)

55. At its 5th meeting, on 16 July, the SBI considered and adopted the first part of the draft report on the session (FCCC/SBI/1996/L.3) presented by the Chairman, in the absence of an elected Rapporteur. It also requested the Chairman, with the assistance of the secretariat, to complete the report of the session taking into account the discussions and the conclusions reached during the session and the need for editorial adjustments.

56. The Chairman, after thanking all participants for their constructive cooperation, declared the third session of the SBI closed.

Annex

DOCUMENTS BEFORE THE SUBSIDIARY BODY FOR IMPLEMENTATION AT ITS THIRD SESSION

The following documents were before the SBI at its third session:

FCCC/CP/1996/1	Provisional agenda and annotations, including suggestions for the organization of work
FCCC/CP/1996/1/Add.2	List of documents for the second session of the Conference of the Parties and concurrent sessions of subsidiary bodies
FCCC/CP/1996/6	Establishment of the permanent secretariat and arrangements for its functioning: implementation of decision 14/CP.1 on the institutional linkage of the Convention secretariat to the United Nations and related administrative matters
FCCC/CP/1996/6/Add.1	Establishment of the permanent secretariat and arrangements for its functioning: legal arrangements for the effective discharge of the functions of the Convention secretariat in the Federal Republic of Germany
FCCC/CP/1996/6/Add.2	Establishment of the permanent secretariat and arrangements for its functioning: relocation of the Convention secretariat to Bonn and possible liaison arrangements
FCCC/CP/1996/6/Add.3	Establishment of the permanent secretariat and arrangements for its functioning: levels of remuneration of senior posts and appointment of the Executive Secretary
FCCC/CP/1996/7 and Add.1	Financial performance of UNFCCC: contributions and expenditures in 1996, and forecast for the biennium 1996-1997
FCCC/CP/1996/8	Financial mechanism: report of the Global Environment Facility to the Conference of the Parties

FCCC/CP/1996/9	Financial mechanism: draft Memorandum of Understanding between the Conference of the Parties and the Council of the Global Environment Facility. Annex on the determination of funding necessary and available for the implementation of the Convention
FCCC/CP/1996/11	Development and transfer of technologies (Article 4.1(c) and 4.5): follow-up report on technological issues
FCCC/CP/1996/12	Commitments in Article 4. Second compilation and synthesis of first national communications from Annex I Parties: executive summary
FCCC/CP/1996/12/Add.1	Commitments in Article 4. Second compilation and synthesis of first national communications from Annex I Parties: report
FCCC/CP/1996/12/Add.2	Commitments in Article 4. Second compilation and synthesis of first national communications from Annex I Parties: tables of inventories of anthropogenic emissions and removals and projections for 2000
FCCC/CP/1996/13	Communications by Parties: process for review and schedule for submission of national communications from Parties included in Annex I to the Convention
FCCC/CP/1996/14 and Add.1	Activities implemented jointly: annual review of progress under the pilot phase. Progress report on activities implemented jointly
FCCC/CP/1996/MISC.1	Establishment of the permanent secretariat and arrangements for its functioning: legal arrangements for the effective discharge of the functions of the Convention secretariat in the Federal Republic of Germany

FCCC/SBI/1996/10	Secretariat activities relating to technical and financial support to Parties
FCCC/SBI/1996/11	Review of the programme of work, 1996-1997
FCCC/SBI/1996/L.2	Financial and technical cooperation. Financial mechanism: guidance to the Global Environment Facility. Arrangements between the Conference of the Parties and the operating entity or entities of the financial mechanism. Draft decision submitted by the Group of 77 and China
FCCC/SBI/1996/L.3	Report of the Subsidiary Body for Implementation: draft report of the Subsidiary Body for Implementation on its third session
FCCC/SBI/1996/L.4	Financial and technical cooperation. Financial mechanism: Memorandum of Understanding between the Conference of the Parties and the Global Environment Facility. Annex on the determination of funding necessary and available for the implementation of the Convention. Draft proposal submitted by the Group of 77 and China

The following documents were also available:

FCCC/SB/1996/MISC.1/Add.1	National communications. Approach paper by the Group of 77 and China on recommendations on guidelines and format for preparation of initial communications from non-Annex I Parties
FCCC/SB/1996/L.1	National communications. Communications from Parties not included in Annex I to the Convention. Guidelines for preparation of initial communications from non-Annex I Parties. Draft decision by the Group of 77 and China

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